

Wednesday, January 02, 2019

### Stock Market Opens the Year on a Bearish Note; Index Down by 1.15%

Bears led the race on the first trading day in the year 2019 as Equities market closed the day's trading session in red zone. The NSE All Share Index and Market Capitalisation depreciated by 1.15% to close at 31,070.06 and ₦11.59 trillion respectively. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stand at -1.15% and -1.15%, while the Month-to-Date (MtD) and Week-to-Date returns stand at -1.15% and -1.15% respectively.

**NSE Sector Indices:** Only one sector within our coverage appreciated while others declined. The NSE sector that advanced in points was NSE BANKING (+0.08%) while the sectors that declined in points were NSE OIL & GAS (-0.66%), NSE CONSUMER GOODS (-2.30%), NSE 30 (-1.24%), NSE INSURANCE (-1.31%) and NSE PREMIUM

The market breadth (gainers/losers) of 0.73x for the day indicates that the number of sellers outpaced the number of buyers in the market today. At the end of the day's trading, 16 stocks advanced as 22 stocks declined; JBERGER (+9.95%), VITAFOAM (+9.55%) and ROYALEX (+9.09%) led the gainers chart while NB (-8.42%), LAWUNION (-8.33%) and HONYFLOUR (-7.81%) led the losers chart for the day

The day's trading activities by volume was led by DIAMONDBNK (50.66million), SOVRENINS (32.95million) and ACCESS (20.78million) while the activity by value was led by GUARANTY (₦0.18billion), NESTLE (₦0.15billion) and ACCESS (₦0.14billion).

**Outlook:** Bears closed the floor of the Nigerian Stock Exchange on the first trading day in the year 2019 as NSE index shed 1.15%. The dominant of bears in the market reflected on the market breadth of today's activity as it remains at 0.73x (vs. 1.88x in last trading day of the year 2018).

Going forward, we do not expect the bearish run to dominate the year 2019 as we expect the uncertainty surrounding the Nigerian equity market to end after the general elections. As a result, we advise our clients to start taking position in the companies that have good dividend payment history.

#### TOP GAINERS

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	JBERGER	20.10	22.10	2.00 ↑	9.95
2	VITAFOAM	4.40	4.82	0.42 ↑	9.55
3	ROYALEX	0.22	0.24	0.02 ↑	9.09
4	UNIONDAC	0.25	0.27	0.02 ↑	8.00
5	CUSTODIAN	5.65	6.10	0.45 ↑	7.96
6	CUTIX	1.64	1.75	0.11 ↑	6.71
7	JAIZBANK	0.50	0.52	0.02 ↑	4.00
8	INTBREW	30.50	31.50	1.00 ↑	3.28
9	UCAP	2.82	2.90	0.08 ↑	2.84
10	ETI	14.00	14.30	0.30 ↑	2.14

#### TOP LOSERS

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	NB	85.50	78.30	-7.20 ↓	-8.42
2	LAWUNION	0.60	0.55	-0.05 ↓	-8.33
3	HONYFLOUR	1.28	1.18	-0.10 ↓	-7.81
4	CHAMPION	1.99	1.84	-0.15 ↓	-7.54
5	UNITYBNK	1.07	1.00	-0.07 ↓	-6.54
6	FCMB	1.89	1.80	-0.09 ↓	-4.76
7	JAPAUOIL	0.21	0.20	-0.01 ↓	-4.76
8	WAPIC	0.42	0.40	-0.02 ↓	-4.76
9	ACCESS	6.80	6.50	-0.30 ↓	-4.41
10	NAHCO	3.65	3.50	-0.15 ↓	-4.11

NSE MARKET DAILY STATISTICS				
	Today	Previous	% Change	
NSE All Share Index (NSEASI)	31,070.06	31,430.50	↓	-1.15%
Market Cap. (₦ 'trn)	11.59	11.72	↓	-1.15%
Transaction Volume (million)	214.41	929.32	↓	-76.93%
Market Turnover (₦ 'million)	1,562.16	3,951.55	↓	-60.47%
Number of Deals	2,856	4,144	↓	-31.08%

Source: Nigerian Stock Exchange (NSE) / PAC Research

NSE SECTOR INDICES					
	Today	Previous	% Change		YtD(%)
NSE 30	1,399.64	1,417.15	↓	-1.24%	↓ -19.87%
NSE Banking 10	399.27	398.94	↑	0.08%	↓ -16.02%
NSE Oil&Gas 5	300.24	302.23	↓	-0.66%	↓ -9.21%
NSE Insurance 10	124.82	126.48	↓	-1.31%	↓ -10.44%
NSE Consumer Goods 10	731.57	748.83	↓	-2.30%	↓ -25.05%
NSE Premium Index	2,195.03				

Source: Nigerian Stock Exchange (NSE) / PAC Research

TOP 10 LOSERS YEAR TO DATE			TOP 10 GAINERS YEAR TO DATE		
1	NB	-8.42%	1	JBERGER	9.95%
2	LAWUNION	-8.33%	2	VITAFOAM	9.55%
3	HONYFLOUR	-7.81%	3	ROYALEX	9.09%
4	CHAMPION	-7.54%	4	UNIONDAC	8.00%
5	UNITYBNK	-6.54%	5	CUSTODIAN	7.96%
6	FCMB	-4.76%	6	CUTIX	6.71%
7	JAPAULOIL	-4.76%	7	JAIZBANK	4.00%
8	WAPIC	-4.76%	8	INTBREW	3.28%
9	ACCESS	-4.41%	9	UCAP	2.84%
10	NAHCO	-4.11%	10	ETI	2.14%

COMPANY	TURNOVER (₦'B)	CURRENT PAT (₦'B)	PREVIOUS PAT (₦'B)	PERIOD
ZENITH BANK PLC	322.20	81.74	75.32	H1 2018
NIGERIAN BREWERIES PLC	183.69	18.44	23.75	H1 2018
DANGOTE CEMENT PLC	482.44	113.16	109.71	H1 2018
ACCESS BANK PLC	137.53	22.12	22.41	Q1 2018
UNILEVER NIG PLC	48.13	5.60	3.51	H1 2018

Source: Nigerian Stock Exchange (NSE) / PAC Research

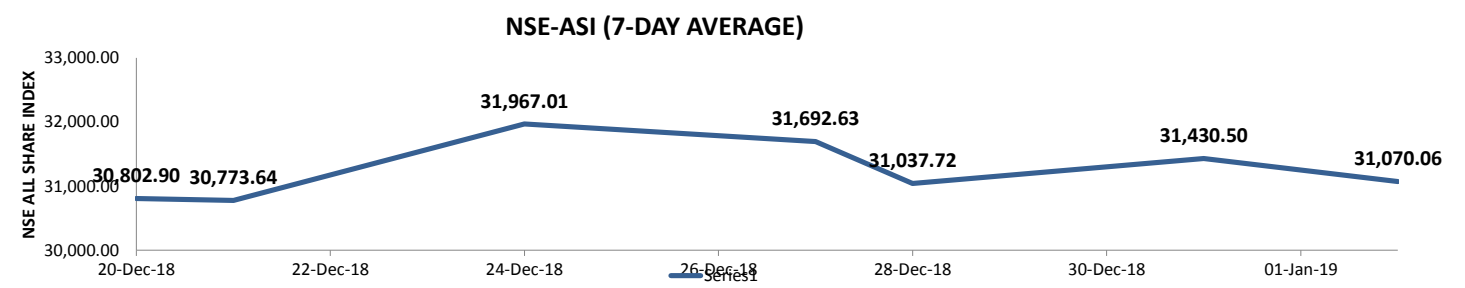
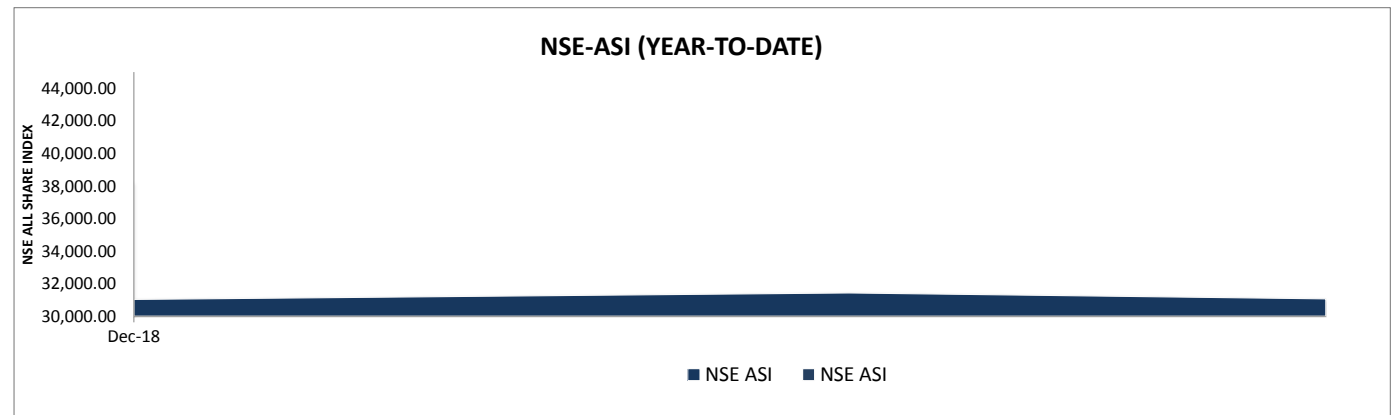
FIVE MOST ACTIVE SECTOR BY VOLUME AND VALUE ('million')



NSE RETURN HISTORY		
Day Change	↓	-1.15%
Week-to-Date	↓	-1.15%
Month-to-Date	↓	-1.15%
Quarter-to-Date	↓	-1.15%
Year-to-Date	↓	-1.15%

TOP TRADED STOCKS BY VOLUME		TOP TRADED STOCKS BY VALUE	
STOCK	VOLUME (UNITS)	STOCK	VALUE (₦)
DIAMONDBNK	50,657,943	GUARANTY	181,094,174.10
SOVRENINS	32,951,098	NESTLE	146,984,275.00
ACCESS	20,778,030	ACCESS	136,211,091.05
ZENITHBANK	17,964,034	DIAMONDBN	111,995,364.26
FBNH	11,278,642	FBNH	88,633,548.15

Source: Nigerian Stock Exchange (NSE) / PAC Research



## FIXED INCOME REPORT AS AT JANUARY 2, 2019

### Treasury Bills Market:

In the treasury bills markets, the average yield decrease by 63bps as it closed at 14.36% today (vs. 15.00% average market yield of last trading session). At the end of the trading session today, the 04-Apr-19, 20-Jun-19 and 12-Dec-19 bills closed at 12.63% (-1.64%), 13.17% (-0.24%), and 17.29% (-0.02%) respectively.

### FGN Bond Market:

In the bond market, the average market yield increase by an average of 19bps as it closed at 15.54% as against 15.34% of the previous session. The result for the 13-Dec-2020, 12-Sep-2021, 14-Mar-2024, 22-Jan-2026, 28-Nov-2028, 18-Jul-2034 and 18-Apr-2037 bonds traded are 15.98% (-0.12%), 15.31% (0.27%), 15.14% (0.72%), 15.74% (0.00%), 15.54% (0.26%), 15.67% (0.18%) and 15.54% (0.00%) respectively.

### Foreign Exchange Market:

At the FX Market (CBN Official Window), Naira appreciated by 5kobo, closing at ₦306.95/\$ today compared to the ₦307.00/\$ it traded in the previous trading session. On Investors and Exporters Window, Naira depreciated by 41 kobo against dollar as it closed at ₦364.41/\$ today (vs. ₦364.00/\$ it closed in the previous trading session).

### Money Market:

In the Money Market today, the REPO rate increased by an average of 225bps to tighten liquidity. At the end of the trading session, the call, 1M, 2M, 3M rate closed at 18.00% (3.00%), 13.25% (2.00%), 13.38% (2.00%) and 13.50% (2.00%) respectively. However, Open-Buy-Back (OBB) and Overnight (O/N) rate decreased by an average of 71 bps, closing at 18.33% and 19.42% respectively.

EXCHANGES				
AFRICA	2-Jan-19	VALUE Δ	31-Dec-18	% CHANGE
NSE	31,070.06	-360.44	31,430.50	-1.15%
BOTSWANA	1,272.06	0.00	1,272.06	0.00%
GHANA SE	2,459.68	3.13	2,456.55	0.13%
JSE	51,346.17	-223.60	51,569.77	-0.43%
RWANDA S	130.91	0.00	130.91	0.00%
UGANDA SE	1,645.63	0.00	1,645.63	0.00%
GLOBAL		VALUE Δ		% CHANGE
DOW JONES	23256.97	-66.69	23323.66	-0.29%
FTSE 100	6735.15	-30.79	6765.94	-0.46%
DAX	10604.36	-161.85	10766.21	-1.50%
NIKKEI 225	20392.58	-595.34	20987.92	-2.84%
S&P 500	2489.81	-17.15	2506.96	-0.68%

Source: Bloomberg / PAC Research as at 18.00 GMT

CURRENCY			
MAJOR CURRENCIES			
	CURRENCY/₦		CURRENCY/\$
USD	364.36	CFA FRANC	575.74
EUR	416.65	S.A RAND	14.23
GBP	460.90	GHANA CEDI	4.91
JPY	3.26	KENYAN SHILLING	101.40
AUD	259.58	RWANDA FRANC	875.75
ZAR	25.59	EGYPTIAN POUND	17.92
Source: Bloomberg / PAC Research			
ECONOMIC INDICATORS			
	2-Jan-19		
MONETARY POLICY RATE (MPR)	14%		
LIQUIDITY RATIO(LR)	30.00%		
CASH RESERVE RATIO(CRR) Private(Public)	22.50%		
INFLATION RATE	11.28%		
GDP GROWTH RATE (Q3'18)	1.81%		

COMMODITIES			
	TODAY'S PRICE	VALUE Δ	PREVIOUS PRICE
ENERGY			
BRENT CRUDE	47.24	1.00	46.24
WTI CRUDE	PX_LAST	CHG_NET_1D	#VALUE!
GASOLINE	57.14	0.88	56.26
NATURAL GAS	533.75	3.50	530.25
METALS		VALUE Δ	
GOLD	3.61	-0.23	3.84
SILVER	1257.27	7.85	1249.42
PLATINIUM	14.81	0.17	14.64
PALLADIUM	798.85	8.00	790.85
ALUMINIUM	1259.00	7.75	1251.25
COPPER	1925.00	-17.00	1942.00
AGRICULTURE		VALUE Δ	
CORN	5970.00	-153.00	6123.00
WHEAT	384.50	-1.00	385.50
SOYBEANS	526.50	-6.25	532.75
SUGAR	100.50	1.10	99.40
COTTON	12.53	0.23	12.30
COCOA	28.85	0.18	28.67

8A, Elsie Femi Pearse, Adeola Odeku  
Victoria Island, Lagos.  
Tel: 234 (0) 1 2716899, 2718630  
Website: [www.panafricancapitalholdings.com](http://www.panafricancapitalholdings.com)  
Email: [info@panafricancapitalholdings.com](mailto:info@panafricancapitalholdings.com)

For further enquiries, please call **Charles Okonkwo on +2348036824312**

**Disclaimer**

The information, opinions and recommendations contained herein are and must be construed solely as statements of opinion and not statements of fact. No warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such recommendation or information is given or made by **PanAfrican Capital** in any form or manner whatsoever. Each recommendation or opinion must be weighed solely as one factor in any investment or other decision made by or on behalf of any user of the information contained herein and such user must accordingly make its own study and